

June 30, 2006

**ALLIANT** - South Beloit Water, Gas and Electric Company  
Attn: Alliant Energy Legal Department  
PO Box 77002  
Madison, WI 53707-1002

To Whom It May Concern:

Sempra Energy Solutions (SES) will apply to the Illinois Commerce Commission for certification to amend its current service authority as an Alternative Retail Energy Supplier in Illinois to include the Illinois service areas for the Alliant Energy public utilities. SES intends to serve non-residential customers with annual consumption greater than 15,000 kWh.

SES is headquartered in San Diego, California but has a regional office in Downers Grove, Illinois. SES's Federal Identification Number is 95-4686779, Dunn & Bradstreet Identification Number is 96-825-4276 and Illinois State Tax Identification number is 2971-4931.

Sincerely,



Mark Ludwig  
Regional Vice President

## GUARANTY

1. For valuable consideration, the receipt of which is acknowledged by the undersigned (hereinafter the "Guarantor"), and to meet the financial requirements set forth in 83 Illinois Administrative Code 451.220(a)(3)(A) arising from the acquisition of electric energy, and the fuel required to produce electric energy, for sale or lease or in exchange for other value received, or from the delivery or furnishing of electric power or energy ("Transaction") to Central Illinois Light Company, Central Illinois Public Service Company (dba AmerenCIPS), Commonwealth Edison Company, Interstate Power Company, MidAmerican Energy Company, Mt. Carmel Public Utility Company, South Beloit Water Gas & Electric Company, Union Electric Company, (dba AmerenUE) ("Counterparty") with Semptra Energy Solutions (the "Obligor"), the Guarantor guarantees and promises to pay the Counterparty, on order, or demand, any and all amounts that the Obligor becomes obligated to pay to the Counterparty under the Transactions (which amounts are hereinafter called the "Obligations") as and when any of the Obligations becomes due, and guarantees that if any such payment is recovered from or is repaid by the Counterparty in whole or in part in any bankruptcy, in solvency or similar proceeding instituted by or against the Obligor or under any other circumstances, then this Guaranty shall continue to apply to those obligations to the same extent as though the payment on those obligations so recovered or repaid never had been made or received.

2. The term "Obligations", as used in this Guaranty, shall be used and construed in its most comprehensive sense and shall include, but not be limited to, obligations and liabilities of the Obligor made, incurred or created under the Transactions, whether for principal, interest, expenses, damages or otherwise, whether voluntary or involuntary, and even if the Obligations become unenforceable due to bankruptcy or insolvency of the Obligor.

3. This is an unconditional, continuing, absolute, and irrevocable Guaranty and shall remain in full force and effect irrespective of any lack of validity or enforceability of any of the Obligations resulting from the bankruptcy or insolvency of the Obligor, any release of or granting of time or any other indulgence to the Obligor, any absence of notice or demand, or any delay in enforcement of rights under this Guaranty, subject to applicable statutes of limitation. Notwithstanding the foregoing, this Guaranty shall be irrevocable from the date of execution specified below until the date 12 months after the date of execution set forth below. After such 12-month period of irrevocability, this Guaranty may be revoked by notice provided by Guarantor to Obligor. Such revocation shall occur automatically after such period of irrevocability in the event Obligor ceases to be an Alternative Retail Electric Supplier pursuant to 220 ILCS 5/16-115 et seq.

4. Guarantor reserves the right to (a) set-off against any payment owing hereunder any amounts owing by the Counterparty and (b) assert defenses which Obligor may have to payment of any Obligations other than defenses arising from the bankruptcy or insolvency of Obligor and other defenses expressly waived hereby.

5. The obligations of the Guarantor under this Guaranty are independent of the obligations of the Obligor, and shall always be subject to a maximum cumulative

aggregate amount (including all obligations to all Counterparties) not to exceed US \$1,000,000 (One Million U. S. Dollars) under this Guaranty.

6. A separate action or actions may be brought and prosecuted against the Guarantor irrespective of whether the action is brought against the Obligor or whether the Obligor is joined in any such actions or actions.

7. The Guarantor authorizes the Counterparty, without notice or demand and without affecting the liability of the Guarantor under the Guaranty, from time to time to renew, compromise, extend, accelerate, or otherwise changes the time for payment of or otherwise change the terms of all or any part of the obligations, including and increase or decrease of the rate of interest thereon; take and hold security for the payment of the obligations and exchange, enforce, waive, and release any such security; and apply such security and direct the order or manner of its sale as the Counterparty in its discretion determines.

8. This is a guaranty of payment and not of collection.

9. The Counterparty may with notice to the Guarantor assign this Guaranty in whole to a party to which it has assigned its interest in the transactions.

10. The Guarantor may not assign its rights, interests, or obligations under this Guaranty.

11. The Guarantor waives any right to require the Counterparty to proceed against the Obligor or pursue any other remedy in the Counterparty's power whatsoever; and all presentments, demands for performance, notices of non-performance, protests, notice of protest, notices of dishonor, notice of accelerations of or intent to accelerate the maturity of any indebtedness, notice of acceptance of this Guaranty and of the existence, creation, or incurring of new of additional Obligations and all other notices expressly set forth herein.

12. All covenants and agreements contained in this Guaranty by or on behalf of the Guarantor shall be binding upon the Guarantor and its successors and assigns and shall inure to the benefit of the Counterparty and its successors and assigns.

13. This Guaranty shall be governed by and construed in accordance with the law of the State of Illinois without regard to principles of conflict of laws.

14. The Guarantor submits to the non-exclusive jurisdiction of and agrees that any action to enforce this guaranty may be determined by the courts in and for the State of Illinois including, without limitation, United States courts having jurisdiction.

15. In any action to enforce this Guaranty, the Guarantor agrees to accept, in lieu of personal service, service of process by mailing or faxing copies of that process to the Guarantor.

16. Neither this Guaranty nor any of the terms or provisions of it may be terminated, waived, altered, modified, or amended except by a writing duly signed by an authorized office of the Illinois Commerce Commission and by the Guarantor.

17. If any term of the Guaranty is held to be invalid, illegal, or unenforceable in any jurisdiction, then the validity of all of the other terms shall in no way be affected thereby in that jurisdiction, and the unenforceability in that jurisdiction shall in no way affect the validity of enforceability of that or any other term hereof in any other jurisdiction.

18. The Counterparties are third-party beneficiaries under this Guaranty.

19. All notices and other communications in respect of this Guaranty shall be in writing, shall be given by facsimile, hand delivery, or registered mail (return receipt requested), and shall be addressed or directed to the Guarantor as follows:

Sempra Energy Solutions  
ATTN: Michael Shaffer, Director Credit Risk  
101 Ash Street  
San Diego, California 92101

20. The Guarantor's obligations under this Guaranty are weighed and ranked equally with the Guarantor's obligations under other guarantees.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed on its behalf by its duly authorized representative as of this \_\_\_\_\_ day of October, 2001.

SEMPRA ENERGY

By: 

Printed Name: C. A. McMonagle

Title: VP & Treasurer

By: 

Printed Name: N. Schmale

Title: EVP & Chief Financial Officer

*Approved as to form:  
[Signature]*